ATTACHMENT B



State Water Resources Control Board

Office of Research, Planning, and Performance

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TO: Patricia Leary

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Compliance and Enforcement

NPDES Section

FROM:

Gerald Horner, Economist

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DATE:

March 5, 2008

SUBJECT: DETERMINATION OF THE CITY OF PLACERVILLE AS A SMALL

COMMUNITY WITH A FINANCIAL HARDSHIP

I have been requested by Randy Pesses, Public Works Director, City of Placerville, to determine whether the Placerville service area meets the eligibility criteria for a Small Community with a Financial Hardship (SCFH) pursuant to Water Code section 13385(k) for the purposes of allowing the City to apply the Minimum Mandatory Penalty to compliance projects (letter, December 4, 2007).

As you know, the Water Quality Enforcement Policy is currently being revised and was published on January 8, 2008 for a 30 day review period. The Policy has not been formally adopted by the Water Board but I used the criteria listed in that draft document to determine that the City of Placerville's is a SCFH. The specific proposed criteria are as follows.

California Water Code section 11385(k)(2) defines "small community" as "a publicly owned treatment works serving a population of 10,000 persons or fewer or a rural county, with a financial hardship as determined by the State board after considering such factors as median income of the residents, rate of unemployment, or low population density in the service area of the publicly owned treatment works."

It is the policy of the State Water Board that "rural county" means a county classified by the Economic Research Service, United States Department of Agriculture (ERS, USDA) with a rural-urban continuum code of four through nine.

It is the policy of the State Water Board that "financial hardship" means that the community served by the POTW meets one of the following criteria:

1. Median household income (The median income divides the income distribution into two equal groups, one having incomes above the median, and the other having incomes below the

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median.) for the community is less than 80% of the California median household income;

- 2. The community has an unemployment rate (All civilians 16 years old and over are classified as unemployed if they (1) were neither "at work" nor "with a job but not at work" during the reference week, and (2) were actively looking for work during the last 4 weeks, and (3) were available to accept a job. Also included as unemployed are civilians who did not work at all during the reference week, were waiting to be called back to a job from which they had been laid off, and were available for work except for temporary illness.) Of 10% or greater; or
- 3. 30% of the population is below the poverty level (Following the Office of Management and Budget's (OMB's) Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level.").

It is the policy of the State Water Board that "median household income" "unemployment rate", and "poverty level" of the community is based on the most recent U.S. Census block group (A subdivision of a census tract (or, prior to 2000, a block numbering area), A block group is the smallest geographic unit for which the Census Bureau tabulates sample data. A block group consists of all the blocks within a census tract with the same beginning number. Example: block group 3 consists of all blocks within a 2000 census tract numbering from 3000 to 3999. In 1990, block group 3 consisted of all blocks numbered from 301 to 3992.) data or a local survey approved by the State Water Board.

A map of the Placerville service area was overlaid on the US Census block group map to determine the population, medium household income, and the employment and poverty rates for the City. Using the proposed criteria, the City of Placerville can not be considered a "small community with a financial hardship" because the population of the sewer service area exceeds 10,000. Although the US Census estimated the 2000 population of Placerville at 9,610, the 2006 population is estimated at 10,086 (see attached). However the city population is not the relevant parameter. California Water Code section 11385(k)(2) defines "small community" as "a publicly owned treatment works serving a population of 10,000 persons or fewer or a rural county." To determine the population of the service area a map of the service area was overlaid on a city map (see attached). The City's area is 3,489 acres and the sewer service area is 5,700 acres or 39 percent larger than the City. A street map was overlaid to determine the population density of the areas outside the City boundaries but inside the service area. The resulting map is attached and it shows that numerous streets exist in the area outside of the City that currently supports residential structures. Therefore the population of the service area is in excess of the 10,000 statutory limit.

cc:

Randy Pesses, Public Works Director City of Placerville 3101 Center Street Placerville, Ca 95667

Attachment

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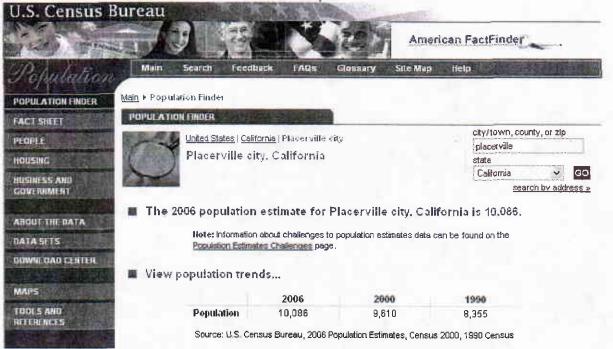


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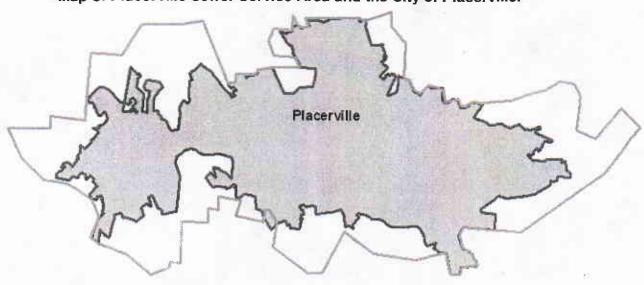
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US Census American Factfinder, 1990, 2000, and 2006 Population Estimate for Placerville, CA



Map of Placerville Sewer Service Area and the City of Placerville.



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